

CERTIFICATE AS TO RESOLUTION AND ADOPTING VOTE

I, the undersigned, being the duly qualified and acting recording officer of Madison County, Montana (the "County"), hereby certify that the attached resolution is a true copy of Resolution No. 13-2006, entitled: "RESOLUTION RELATING TO RURAL SPECIAL IMPROVEMENT DISTRICT NO. 2006-03 (MOORE'S CREEK); CREATING THE DISTRICT FOR THE PURPOSE OF UNDERTAKING CERTAIN LOCAL IMPROVEMENTS AND FINANCING THE COSTS THEREOF AND INCIDENTAL THERETO THROUGH THE ISSUANCE OF RURAL SPECIAL IMPROVEMENT DISTRICT BONDS SECURED BY THE COUNTY'S RURAL SPECIAL IMPROVEMENT DISTRICT REVOLVING FUND AND CREATING RURAL SPECIAL IMPROVEMENT MAINTENANCE DISTRICT NO. 2006-03M FOR THE PURPOSE OF MAINTAINING THE IMPROVEMENTS" (the "Resolution"), on file in the original records of the County in my legal custody; that the Resolution was duly adopted by the Board of County Commissioners of the County at a meeting on March 20, 2006, and that the meeting was duly held by the Board of County Commissioners and was attended throughout by a quorum, pursuant to call and notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.

I further certify that, upon vote being taken on the Resolution at said meeting, the following Commissioners voted in favor thereof: _____
_____; voted against the
same: _____; abstained from voting
thereon: _____; or were
absent: _____.

WITNESS my hand officially this _____ day of _____, 2006.

County Clerk and Recorder

RESOLUTION NO. 13-2006

RESOLUTION RELATING TO RURAL SPECIAL IMPROVEMENT DISTRICT NO. 2006-03 (MOORE'S CREEK); CREATING THE DISTRICT FOR THE PURPOSE OF UNDERTAKING CERTAIN LOCAL IMPROVEMENTS AND FINANCING THE COSTS THEREOF AND INCIDENTAL THERETO THROUGH THE ISSUANCE OF RURAL SPECIAL IMPROVEMENT DISTRICT BONDS SECURED BY THE COUNTY'S RURAL SPECIAL IMPROVEMENT DISTRICT REVOLVING FUND AND CREATING RURAL SPECIAL IMPROVEMENT MAINTENANCE DISTRICT NO. 2006-03M FOR THE PURPOSE OF MAINTAINING THE IMPROVEMENTS

BE IT RESOLVED by the Board of County Commissioners (the "Board") of Madison County (the "County"), Montana, as follows:

Section 1. Passage of Resolution of Intention. This Board, on February 10, 2006, adopted Resolution No. 2-2006 (the "Resolution of Intention"), pursuant to which this Board declared its intention to create a rural special improvement district, designated as Rural Special Improvement District No. 2006-03 of the County (the "District"), under Montana Code Annotated, Title 7, Chapter 12, Part 21, as amended (the "Act"), for the purpose of financing a portion of the costs of certain improvements described therein (the "Improvements") and paying costs incidental thereto, including costs associated with the sale and the security of rural special improvement district bonds drawn on the District (the "Bonds"), the creation and administration of the District, the funding of a deposit to the County's Rural Special Improvement District Revolving Fund (the "Revolving Fund") and the establishment of a reserve account securing the Bonds in the District fund (the "Reserve Account"). This Board also declared its intention to create and establish in the County under the Act, a rural special improvement maintenance district designated Rural Special Improvement District No. 2006-03M (the "Maintenance District") for the purpose of maintaining the Improvements.

Section 2. Notice and Public Hearing. Notice of passage of the Resolution of Intention was duly published and mailed in all respects in accordance with law, and on March 20, 2006, this Board conducted a public hearing on the creation or extension of the District and the making of the Improvements. At the hearing, this Board heard and passed on all protests made during the period ended 30 days after the first date of publication of the notice of passage of the Resolution of Intention (the "Protest Period").

Section 3. Protests. Within the Protest Period, 21 protests representing 28 lots, tracts, or parcels were filed with the County Clerk and not withdrawn by the owners of property in the District subject to assessment for 20% of the total costs of the Improvements and incidental costs to be financed with proceeds of the Bonds.

Section 4. Insufficiency of Protests. The protests against the creation or extension of the District or the making of the Improvements filed during the Protest Period are hereby found to be insufficient. The findings and determinations made in the Resolution of Intention are hereby ratified and confirmed, including, without limitation, the findings and determinations relating to the Revolving Fund and Reserve Account.

Section 5. Modification of the District. Based on comments received at the public hearing, primarily from the property owners in the L&M Ranches, that the 14 feet paved road way from the cattleguard to the L&M Ranches not be undertaken, the Board hereby determines that the following modifications be made to proposed District No. 2006-03:

The Improvements consist of design and construction of approximately 6,200 lineal feet of road improvements. The total estimated costs of the Improvements, including contingency, is \$295,350. The costs of the Improvements are to be paid from the rural special improvement district bonds in an estimated principal amount of \$360,640.

The general character of the Improvements shall be:

(i) all improvements necessary for the construction of a 22 feet wide paved roadway from Montana State Highway 287 to the Junction with Antelope Meadows Road, including all construction preparation work at an estimated cost of \$144,100, as more fully shown on the revised Exhibit C to the Resolution, which is attached hereto, including grading, shaping, and compacting existing sub-base gravels; establishing drainage; placing an asphalt prime coat over the width the roadways; placing a 3" thickness of bituminous asphalt surfacing over the width of the roadways; installing traffic control devices; and installing concrete barriers on each end of both culverts; all providing surfacing and drainage improvements of the existing approximately 2,200 lineal feet of road from the junction of Montana State Highway 287 and Moore's Creek Road, extending to the junction of Antelope Road (the "Moore's Creek Improvements");

(ii) all improvements necessary for the construction of a county standard 22 feet wide paved roadway of approximately 1,200 lineal feet with 2 feet wide graveled shoulders on Antelope Meadows Road to the junction with Vista Grande Road, including all construction preparation work at an estimated cost of \$44,760 as more fully shown on the revised Exhibit C, which is attached hereto. (the "Vista Grande Improvements")

(iii) all improvements necessary for the construction of a county standard 20 feet wide paved roadway of approximately 2,800 lineal feet with 2 feet wide graveled shoulders on Antelope Meadows Road between Vista Grande Road to the beginning of the loop road in Antelope Meadows, including all construction preparation work (the "Antelope Meadows Improvements")

Section 6. Assessment Methods.

6.1. Property To Be Assessed: Benefitted Properties. All properties within the District are to be assessed for a portion of the costs of the Improvements, as specified herein. The costs of the specified Improvements shall be assessed against the property in the District benefitting from the Improvements, based on the equal method of assessment described in Section 7-12-2151, M.C.A., as particularly applied and set forth in this Section 6. All properties in the District are benefitted by one of the Improvements, but it may not be benefitted by all of the Improvements.

6.2. Equal Assessments. All properties in the District will be assessed for their proportionate share of the costs of the Improvements as set forth herein.

Moore's Creek Improvements. The total estimated cost of the Moore's Creek Improvements and costs incidental thereto is \$168,548 and shall be assessed against each lot, tract or parcel of land in the District benefitted by the Moore's Creek Improvements equally. Each lot, tract or parcel in the District benefitting from the Moore's Creek Improvements and to be assessed is shown on the revised Exhibit B, which is attached hereto. There are 87 lots to be assessed for the Moore's Creek Improvements. The costs of the Moore's Creek Improvements per lot, tract or parcel to be assessed shall not exceed \$1,938.

Vista Grande Improvements. The total estimated cost of the Vista Grande Improvements and costs incidental thereto is \$57,197 and shall be assessed against each lot, tract or parcel of land in the District benefitted by the Vista Grande Improvements equally. Each lot, tract or parcel in the District benefitting from the Vista Grande Improvements, which is all lots, tracts, or parcels in the District North of the junction of Moore's Creek Road and Antelope Meadows Road, and to be assessed is shown on Exhibit B. There are 64 lots to be assessed for the Vista Grande Improvements. The costs of the Vista Grande Improvements per lot, tract or parcel to be assessed shall not exceed \$894.

Antelope Meadows Improvements. The total estimated cost of the Antelope Meadows Improvements and costs incidental thereto is \$134,859 and shall be assessed against each lot, tract or parcel of land in the District benefitted by the Antelope Meadows Improvements equally. Each lot, tract or parcel in the District benefitting from the Antelope Meadows Improvements, which is all lots, tracts, or parcels in the District North of Vista Grande Road, and to be assessed is shown on Exhibit B. There are 47 lots to be assessed for the Antelope Meadows Improvements. The costs of the Antelope Meadows Improvements per lot, tract or parcel to be assessed shall not exceed \$2,870.

Section 7. Creation of District. The District is hereby created on the terms and conditions set forth herein, with the revised Exhibits B and C, which are hereby approved and made a part hereof, and otherwise in accordance with, the Resolution of Intention.

PASSED AND ADOPTED by the Board of County Commissioners of Madison County, Montana, this 21st day of March, 2006.

Chair of the Board of County Commissioners

Attest:

County Clerk and Recorder